

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

**Obj. Deadline: March 30, 2023 at 4:00 p.m. ET**

**FIRST MONTHLY FEE STATEMENT OF ERNST & YOUNG LLP AS  
TAX SERVICES PROVIDER TO THE DEBTORS AND DEBTORS-IN-POSSESSION  
FOR COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
FROM NOVEMBER 28, 2022 THROUGH AND INCLUDING DECEMBER 31, 2022**

<b>Name of Applicant</b>	<b>Ernst &amp; Young LLP</b>
Authorized to Provide Professional Services to:	the Debtors and Debtors-in-Possession
Date of Retention:	January 17, 2023 <i>nunc pro tunc</i> to November 28, 2022
Period for which compensation and reimbursement is sought:	November 28, 2022 through December 31, 2022
Amount of Compensation sought as actual, reasonable and necessary:	\$1,264,113.80
80% of Compensation sought as actual, reasonable and necessary:	\$1,011,291.04
Amount of Expense Reimbursement sought as actual, reasonable, and necessary:	\$12,330.63

This is a(n) ☒ monthly \_\_\_\_ interim \_\_\_\_ final application. No prior application has been filed with respect to this Fee Period.

<sup>1</sup> The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

**SUMMARY OF BILLING BY PROFESSIONAL**  
**NOVEMBER 28, 2022 THROUGH AND INCLUDING DECEMBER 31, 2022**

<b>Name</b>	<b>Rank</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Total Individual Fees</b>
Ancona, Christopher	Senior	26.3	\$395.00	\$10,388.50
Ash, Polly Westerberg	Senior Manager	39.1	\$650.00	\$25,415.00
Bailey, Doug	Partner/Principal	139.3	\$825.00	\$114,922.50
Berman, Jake	Senior Manager	94.7	\$650.00	\$61,555.00
Bieganski, Walter	Client Serving Contractor	40.6	\$213.00	\$8,647.80
Bost, Anne	Managing Director	38.0	\$775.00	\$29,450.00
Bowden, Jamie	Senior Manager	0.3	\$650.00	\$195.00
Canale, Steven P.	Staff	55.3	\$225.00	\$12,442.50
Carlson, Tim	Managing Director	0.5	\$775.00	\$387.50
Carver, Cody R.	Senior	41.6	\$395.00	\$16,432.00
Chan, Sherilyn	Senior Manager	0.5	\$650.00	\$325.00
Chebar, Johana	Senior	2.0	\$395.00	\$790.00
Chyan, Megan	Senior	2.0	\$395.00	\$790.00
Clement Lim	Senior Manager	0.5	\$650.00	\$325.00
Cotopoulis, Alex	Managing Director	15.7	\$775.00	\$12,167.50
DeVincenzo, Jennie	Managing Director	25.6	\$775.00	\$19,840.00
Di Stefano, Giulia	Senior	26.2	\$395.00	\$10,349.00
Dubroff, Andy	Managing Director	53.0	\$775.00	\$41,075.00
Farrar, Anne	Partner/Principal	27.7	\$825.00	\$22,852.50
Ferris, Tara	Partner/Principal	12.0	\$825.00	\$9,900.00
Flagg, Nancy A.	Managing Director	7.1	\$775.00	\$5,502.50
Flannery, Jennifer	Manager	9.5	\$525.00	\$4,987.50
Fletcher, Jason R	Managing Director	0.5	\$775.00	\$387.50
Gartin, Randell J.	Managing Director	36.2	\$775.00	\$28,055.00
Gatt, Katie	Senior Manager	3.3	\$650.00	\$2,145.00
Gil Diez De Leon, MARTA	Manager	19.6	\$525.00	\$10,290.00
Guinet, Margot Madeleine	Senior	0.9	\$395.00	\$355.50
Hall, Emily Melissa	Senior	52.8	\$395.00	\$20,856.00
Hall, Olivia	Staff	43.5	\$225.00	\$9,787.50
Hamano, Taisuke	Senior Manager	5.0	\$650.00	\$3,250.00
Hamilton, Mary Catherine	Senior	10.2	\$395.00	\$4,029.00
Hammon, David Lane	Manager	161.1	\$525.00	\$84,577.50
Jackel, Jonathan	Managing Director	1.0	\$775.00	\$775.00
Jayanthi, Lakshmi	Senior Manager	57.7	\$650.00	\$37,505.00
Jimenez, Joseph Robert	Senior Manager	12.0	\$650.00	\$7,800.00
Karan, Anna Suncheuri	Staff	27.4	\$225.00	\$6,165.00

<b>Name</b>	<b>Rank</b>	<b>Hours</b>	<b>Hourly Rate</b>	<b>Total Individual Fees</b>
Katsnelson, David	Manager	52.6	\$525.00	\$27,615.00
Knoeller, Thomas J.	Partner/Principal	14.8	\$825.00	\$12,210.00
Kooiker, Darcy	Managing Director	1.9	\$775.00	\$1,472.50
Loo, Lydia	Senior	0.5	\$395.00	\$197.50
Lovelace, Lauren	Partner/Principal	36.6	\$825.00	\$30,195.00
Lowery, Kristie L	National Partner/Principal	91.3	\$990.00	\$90,387.00
MacLean, Corrie	Senior	34.5	\$395.00	\$13,627.50
Madhok, Kishan	Senior Manager	19.3	\$650.00	\$12,545.00
Mayer-Dempsey, Chris Kosch	Senior Manager	4.3	\$650.00	\$2,795.00
McComber, Donna	National Partner/Principal	16.8	\$990.00	\$16,632.00
Musano, Matthew Albert	Senior Manager	69.5	\$650.00	\$45,175.00
Myers, Rayth T.	Senior Manager	0.5	\$650.00	\$325.00
Nichol, T.J.	Senior Manager	11.1	\$650.00	\$7,215.00
O'Brien, Mike	Partner/Principal	1.8	\$825.00	\$1,485.00
Raulli, Lindsay Elizabeth	Senior Manager	18.2	\$650.00	\$11,830.00
Rodriguez, Lenny	Senior	43.9	\$395.00	\$17,340.50
Rule, Martin Daniel	Senior Manager	2.3	\$650.00	\$1,495.00
Ryan, Karen	Managing Director	0.5	\$775.00	\$387.50
Sargent, Amy Johannah	Managing Director	11.8	\$775.00	\$9,145.00
Scott, James	Client Serving Contractor	150.6	\$600.00	\$90,360.00
Shea JR, Thomas M	Partner/Principal	144.4	\$825.00	\$119,130.00
Simpson, Kirsten	National Partner/Principal	7.3	\$990.00	\$7,227.00
Staromiejska, Kinga	Manager	71.0	\$525.00	\$37,275.00
Stevens, Matthew Aaron	National Partner/Principal	10.5	\$990.00	\$10,395.00
Sun, Yuchen	Senior	5.6	\$395.00	\$2,212.00
Thomas, James	Partner/Principal	0.8	\$825.00	\$660.00
Toi, Sarah Massey	Partner/Principal	0.8	\$825.00	\$660.00
Wong, Maddie	Staff	3.1	\$225.00	\$697.50
Wrenn, Kaitlin Doyle	Manager	85.1	\$525.00	\$44,677.50
Yanavitski, David	Senior Manager	9.1	\$650.00	\$5,915.00
Yen, Jason	National Partner/Principal	14.0	\$990.00	\$13,860.00
Zheng, Eva	Manager	8.1	\$525.00	\$4,252.50
<b>Totals</b>		<b>2031.3</b>		<b>\$1,264,113.80</b>

**Blended Hourly Rate: \$622.32**

**STATEMENT OF FEES BY PROJECT CATEGORY**  
**NOVEMBER 28, 2022 THROUGH AND INCLUDING DECEMBER 31, 2022**

<b>Time Category</b>	<b>Category Description</b>	<b>Hours</b>	<b>Total</b>
Non-US Tax	Taxation of all non-US based or related activities and taxpayers	110.4	\$52,799.00
Payroll Tax	Taxation of Global and US-based payroll and employment tax requirements	256.1	\$176,860.50
Tax Advisory	The projects covered by on-call tax advisory services include assistance with tax issues by answering one-off questions, drafting memos describing how specific tax rules work, assisting with general transactional issues, and assisting Client in connection with International Tax Services dealings with tax authorities (other than representing Client in an examination or an appeal before the IRS or other taxing authority).	323.6	\$253,504.50
Transfer Pricing	Determine arm's length pricing in related-party transactions	260.1	\$119,940.00
Information Reporting	Reporting of income paid to certain US-based investors, vendors, and independent contractors	24.6	\$18,087.50
Project Management Office Transition	Service Management: oversee consistent status reporting across workstreams to ensure activities are tracked and risks, assumptions, issues, and dependencies are tracked and remediated.	303.8	\$169,228.50
US Income Tax	Taxation of all US-based or related activities and taxpayers	392.8	\$271,742.50
US International Tax	Taxation of all non-US based or related activities as it impacts on US based taxpayers	96.3	\$63,577.50
US State and Local Tax	Taxation of all US-based or related activities and taxpayers as assessed by each state and local jurisdiction	208.1	\$103,015.80
Value Added Tax	Taxation of non-US based indirect based or related activities and taxpayers	55.5	\$35,358.00
<b>Total</b>		<b>2,031.3</b>	<b>\$1,264,113.80</b>

**SUMMARY OF ACTUAL AND NECESSARY EXPENSES****US Income Tax Expenses**

<b>Expense Category</b>		<b>Expense Amount</b>
Ground		\$467.54
Air		\$1,238.60
Lodging		\$4,447.57
Meals		\$1,079.70
<b>Total</b>		<b>\$7,233.41</b>

**Payroll Tax Expenses**

<b>Expense Category</b>		<b>Expense Amount</b>
Ground		\$885.94
Air		\$849.88
Lodging		\$2,864.69
Meals		\$455.71
Miscellaneous		\$41.00
<b>Total</b>		<b>\$5,097.22</b>

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Debtors.

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**FIRST MONTHLY FEE STATEMENT OF ERNST & YOUNG LLP AS  
TAX SERVICES PROVIDER TO THE DEBTORS AND DEBTORS-IN-POSSESSION  
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REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD  
FROM NOVEMBER 28, 2022 THROUGH AND DECEMBER 31, 2022**

Ernst & Young LLP (“EY LLP”), Tax Services Provider to FTX Trading Ltd. and its affiliated debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), hereby submits this first monthly fee statement (this “Monthly Fee Statement”) for compensation for professional services rendered and expenses incurred for the period from November 28, 2022 through and including December 31, 2022 (the “Fee Period”). In support of the Monthly Fee Statement, EY LLP respectfully states as follows:

**Background**

1. On November 11 and November 14, 2022,<sup>2</sup> the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the “Court”) voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended or modified, the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their

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<sup>1</sup> The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

<sup>2</sup> November 11, 2022 is the petition date for all Debtors, except for Debtor West Realm Shires Inc.

properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors' cases (the "Chapter 11 Cases") was authorized by the Court by entry of an order on November 22, 2022 [D.I. 128]. On December 15, 2022, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an Official Committee of Unsecured Creditors (the "Committee") pursuant to section 1102 of the Bankruptcy Code [D.I. 231].

2. On January 17, 2023, the Court entered the Order Authorizing the Retention and Employment of EY LLP as Tax Services Provider *Nunc Pro Trunc* to November 28, 2022 [D.I. 505] authorizing the retention and employment of EY LLP as the Debtors' Tax Services Provider, *nunc pro tunc* to November 28, 2022.

3. On January 9, 2023, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [D.I. 435] (the "Interim Compensation Order").

### **Relief Requested**

4. By this Monthly Fee Statement and in accordance with the Interim Compensation Order, EY LLP makes this application for (i) allowance of compensation as an administrative expense of the Debtors' estates in the amount of \$1,271,421.30 for reasonable and necessary professional services rendered, (ii) payment of compensation in the amount of 80% thereof (in the amount of \$1,017,137.04) and (iii) payment of \$12,330.63 for actual and necessary expenses incurred.

#### **a. Compensation Requested**

5. The services performed by EY LLP during the Fee Period included tax services. Attached hereto as Exhibit A is a detailed itemization, by project category, of all services performed by EY LLP with respect to the Chapter 11 Cases during the Fee Period. This

detailed itemization complies with Local Rule 2016-2 in that each time entry contains a separate time allotment, a description of the type of activity and the subject matter of the activity, all time is billed in increments of one-tenth (1/10) of an hour, time entries are presented chronologically in categories, and all meetings or hearings are individually identified.

6. The timekeepers who rendered services related to each category are identified in Exhibit A, along with the number of hours for each individual and the total compensation sought by each category. All services for which EY LLP requests compensation were performed for, or on behalf of, the Debtors.

**b. Expense Reimbursement**

7. EY LLP incurred out-of-pocket expenses during the Fee Period in the amount of \$12,330.63. Attached hereto as Exhibit B is a description of the expenses actually incurred by EY LLP in the performance of services rendered as Tax Services Provider to the Debtors. The expenses are broken down into categories of charges, which may include, among other things, the following charges: photocopying, printing, outgoing facsimiles, document retrieval, postage, third-party conference calls, messenger service, transcripts, computerized legal research, filing fees, working meals, secretarial overtime, and other expenses.

8. In accordance with section 330 of the Bankruptcy Code, EY LLP seeks reimbursement only for the actual cost of such expenses to EY LLP. EY LLP submits that all such expenses incurred were customary, necessary and related to the Chapter 11 Cases and, by this Monthly Fee Statement, requests reimbursement of the same.

**Valuation of Services**

9. Professionals of EY LLP have expended a total of 2,045.4 hours in connection with this matter during the Fee Period.

10. The amount of time spent by each of the professionals providing services to the Debtors for the Fee Period is set forth in Exhibit A. The rates are EY LLP's normal hourly rates of compensation for work of this character. The reasonable value of the services rendered by EY LLP for the Fee Period as Tax Services Provider for the Debtors in the Chapter 11 Cases is \$1,271,421.30.

11. EY LLP believes that the time entries included in Exhibit A attached hereto and the expense breakdown set forth in Exhibit B attached hereto are in compliance with the requirements of Local Rule 2016-2.

12. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given the complexities of these Chapter 11 Cases, the time expended, the nature and extent of the services rendered, the value of such services, and the costs of comparable services other than in a case under this title.

**Certificate of Compliance and Waiver**

13. The undersigned representative of EY LLP certifies that he has reviewed the requirements of Local Rules 2016-2 and that the Monthly Fee Statement substantially complies with such rule. To the extent that the Monthly Fee Statement does not comply in all respects with the requirements of Local Rule 2016-2, EY LLP believes that such deviations are not material and respectfully requests that any such requirements be waived.

**Notice and No Prior Request**

14. Notice of this Monthly Fee Statement has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee; (b) the Official Committee of Unsecured Creditors and (d) all parties required to be given notice in the Interim Compensation Order. EY LLP submits that no other or further notice is necessary.

15. No prior request for the relief sought in this Monthly Fee Statement has been made to this or any other Court.

WHEREFORE, EY LLP respectfully requests that the Bankruptcy Court (i) approve the Monthly Fee Statement and (ii) grant such further relief as is just and proper.

/s/ Thomas M. Shea  
Thomas M. Shea  
Partner/Principal  
Ernst & Young LLP